ROBECO

Factsheet | Figures as of 31-01-2024

Robeco Emerging Markets Equities D EUR

Robeco Emerging Markets Equities is an actively managed fund that invests in stocks in emerging countries across the world. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. Given that emerging economies are growing faster than developed countries and have stronger balance sheets for governments, companies and households. The fund selects investments based on top-down country analysis and bottom-up stock ideas. The focus is on companies with a sound business model, solid growth prospects and reasonable valuation.

Wim-Hein Pals, Dimitri Chatzoudis, Jaap van der Hart, Cornelis Vlooswijk
Fund manager since 01-04-2000

Performance

	Fund	Index
1 m	-1.21%	-3.03%
3 m	6.65%	4.13%
Ytd	-1.21%	-3.03%
1 Year	0.46%	-2.95%
2 Years	-4.69%	-6.18%
3 Years	-3.12%	-3.99%
5 Years	2.96%	2.11%
10 Years	5.79%	5.11%
Since 11-1994	5.61%	

Annualized (for periods longer than one year)
Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Calendar year performance

	Fund	Index
2023	9.93%	6.11%
2022	-16.17%	-14.85%
2021	4.45%	4.86%
2020	6.00%	8.54%
2019	28.15%	20.61%
2021-2023	-1.26%	-1.79%
2019-2023	5.51%	4.40%

Annualized (years)

Index

MSCI Emerging Markets Index (Net Return, EUR)

General facts

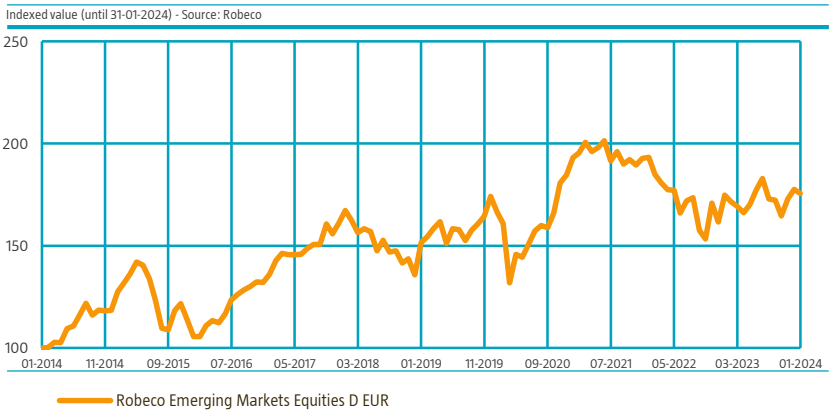
Morningstar	★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 935,814,111
Size of share class	EUR 83,436,273
Outstanding shares	385,053
1st quotation date	29-11-1994
Close financial year	31-12
Ongoing charges	1.76%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	6.00%
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

Exclusions
ESG Integration
Voting & Engagement

For more information on exclusions see https://www.robeco.com/exclusions/

Performance



Performance

Based on transaction prices, the fund's return was -1.21%.
The fund outperformed the benchmark (MSCI EM) in January, with country allocation detracting and stock selection contributing positively to the overall performance. Negative country allocation came from our underweight positions in India and Saudi Arabia and our overweight in South Korea. The underweight in China and the overweight positions in Greece and Hungary contributed the most. Positive stock selection was mostly driven by not owning some of the Chinese stocks, such as PDD Holdings, which owns internet platform Temu, JD.COM (online marketplace) and Meituan (food delivery). The latter two companies saw their share prices decline more than 20% (in EUR). Other stocks that contributed to stock selection in January were Petrobras (Brazil), Mahanagar Gas and IT services company Infosys from India. Stocks that detracted from performance were HDFC Bank and conglomerate Reliance Industries from India, and the Brazilian iron ore producer CSN Mineração.

Market development

In January, emerging markets were down 3.03% (MSCI EM, in EUR), and thus underperformed the MSCI World (+2.91%). The 'Magnificent Seven' stocks continue to propel the US market higher, while a decline in the MSCI China of over 9% dragged the EM Index down. Investors remain muted on China amid concerns that a series of stimulus measures unleashed by the Chinese authorities is still not enough to revive the deteriorating economic outlook, or to boost investor confidence. EMEA was the strongest-performing region, while emerging Asia was the weakest one, due to the weak performance of China, South Korea and Thailand. In China, the manufacturing PMI was still in contraction as export orders stayed weak, but a bright spot came from the acceleration in production. The services PMI revived back to expansion for the first time since October 2023. All EM sectors finished in the negative, except energy and utilities. Consumer discretionary and materials were down the most. Oil prices strengthened by 5.5%, while natural gas prices fell by 16%. Both the precious and industrial metal indices were down. In January, EM equity funds continued to see outflows of a bit over USD 1 billion.

Expectation of fund manager

The global environment is still challenging for equity markets, as inflation remains high and global central banks have continued to raise interest rates. This has led to financial stress for some European and US banks, and global growth is likely to slow down. However, emerging markets seem well positioned, as inflation is much lower in many countries, they were earlier in hiking interest rates in this cycle and growth in China has picked up after the end of the zero-Covid policy. Equity valuations have become attractive, and EM is now trading at valuation levels that are lower than its long-term averages. In addition, emerging markets are attractively valued relative to developed markets with discounts of over 30% based on earnings multiples. Finally, for 2024 earnings are forecasted to increase 17%, which is higher than for developed markets.

Top 10 largest positions

Our top positions comprise a combination of IT, consumer discretionary and financials, with some exposure to communication services and energy. Alibaba Group is the largest e-commerce company in China. Samsung Electronics is the well-known global IT brand from South Korea. Taiwan Semiconductor (TSMC) is a key supplier to global IT hardware producers. The portfolio holds HDFC Bank and ICICI Bank from India, and Grupo Financiero Banorte from Mexico as the largest positions in financials. Naspers is a South African internet company, with a large equity stake in Tencent. Petrobras is the energy giant from Brazil. Infosys is one of the world's leading IT services companies from India. Finally, SK hynix is one of the largest semiconductor manufacturers from South Korea.

Fund price

31-01-24	EUR	216.69
High Ytd (26-01-24)	EUR	218.28
Low Ytd (17-01-24)	EUR	208.30

Fees

Management fee	1.50%
Performance fee	None
Service fee	0.20%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)

Issue structure	Open-end
UCITS V	Yes
Share class	D EUR

This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Austria, Belgium, Chile, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Netherlands, Norway, Peru, Poland, Singapore, Spain, Switzerland, Taiwan, United Kingdom

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns.

Risk management

Risk management is fully integrated in the investment process to ensure that positions always meet predefined guidelines.

Dividend policy

The fund does not distribute dividend. The income earned by the fund is reflected in its share price. The fund's entire result is thus reflected in its share price development.

Fund codes

ISIN	LU0187076913
Bloomberg	ROEMMKE LX
Sedol	B01GLX6
WKN	A0CATR
Valoren	1794369

Top 10 largest positions

Holdings	Sector	%
Taiwan Semiconductor Manufacturing Co Lt	Information Technology	9.59
Samsung Electronics Co Ltd	Information Technology	5.37
Alibaba Group Holding Ltd	Consumer Discretionary	3.64
HDFC Bank Ltd	Financials	3.47
Naspers Ltd	Consumer Discretionary	3.32
Petroleo Brasileiro SA ADR	Energy	3.23
ICICI Bank Ltd ADR	Financials	2.40
Grupo Financiero Banorte SAB de CV	Financials	2.01
SK Hynix Inc	Information Technology	1.99
Infosys Ltd ADR	Information Technology	1.96
Total		**36.99**

Top 10/20/30 weights

TOP 10	36.99%
TOP 20	52.31%
TOP 30	64.65%

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	3.86	3.53
Information ratio	0.75	0.73
Sharpe ratio	-0.15	0.25
Alpha (%)	3.66	2.58
Beta	1.10	1.07
Standard deviation	15.04	16.68
Max. monthly gain (%)	12.19	12.19
Max. monthly loss (%)	-9.63	-17.28

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years	5 Years
Months outperformance	19	36
Hit ratio (%)	52.8	60.0
Months Bull market	18	36
Months outperformance Bull	11	25
Hit ratio Bull (%)	61.1	69.4
Months Bear market	18	24
Months Outperformance Bear	8	11
Hit ratio Bear (%)	44.4	45.8

Above mentioned ratios are based on gross of fees returns.

Changes

The performance was achieved under circumstances that no longer apply. Up to 31 December 2007, the benchmark was the IFC Composite-Index (EUR).

Sector allocation

The main overweight sectors are financials, consumer discretionary and information technology. Together with valuations that are attractive, we expect positive earnings growth for these sectors. Conversely, consumer staples, communication services, energy and healthcare are the largest underweight positions compared to the benchmark.

Sector allocation		Deviation index
Information Technology	25.3%	3.1%
Financials	25.3%	2.2%
Consumer Discretionary	17.5%	5.4%
Industrials	5.5%	-1.3%
Materials	5.1%	-2.3%
Communication Services	4.7%	-4.0%
Real Estate	4.5%	2.9%
Utilities	4.4%	1.6%
Energy	3.9%	-1.7%
Consumer Staples	2.9%	-3.0%
Health Care	1.0%	-2.6%

Country allocation

Emerging markets in Asia in general, and South Korea, Indonesia and Vietnam in particular, are favored over those in emerging Europe, Middle East and Africa (EMEA). We are underweight in some smaller Asian markets such as Malaysia, the Philippines and Thailand. We prefer domestic exposure in countries such as China and India over the export sectors. In Latin America, we are underweight in all countries except Brazil, Chile and Mexico. Among the EMEA countries, the fund holds overweight positions in Hungary, Poland, Greece and the UAE. It has no position in the Czech Republic, and underweight positions in the Middle East.

Country allocation		Deviation index
China	23.0%	-1.9%
Korea	16.2%	4.0%
Taiwan	15.4%	-1.2%
India	14.1%	-3.9%
Brazil	8.2%	2.5%
Mexico	5.2%	2.4%
South Africa	3.9%	0.9%
Indonesia	3.2%	1.3%
Greece	2.7%	2.2%
United Arab Emirates (U.A.E.)	2.2%	0.9%
Hungary	2.2%	1.9%
Viet Nam	0.9%	0.9%
Other	2.7%	-10.0%

Currency allocation

Currency exposure is in line with country exposure. At the end of January, there were no currency hedges.

Currency allocation		Deviation index
Hong Kong Dollar	16.0%	-3.0%
Korean Won	15.9%	3.7%
Taiwan Dollar	15.6%	-1.0%
Indian Rupee	14.2%	-3.8%
Brasilian Real	7.4%	1.7%
Chinese Renminbi (Yuan)	6.7%	2.3%
Mexico New Peso	4.4%	1.6%
South African Rand	3.9%	0.9%
Indonesian Rupiah	3.3%	1.4%
Euro	3.1%	2.6%
UAE Dirham	2.2%	0.9%
Hungarian Forint	2.2%	1.9%
Other	5.2%	-9.0%

ESG Important information

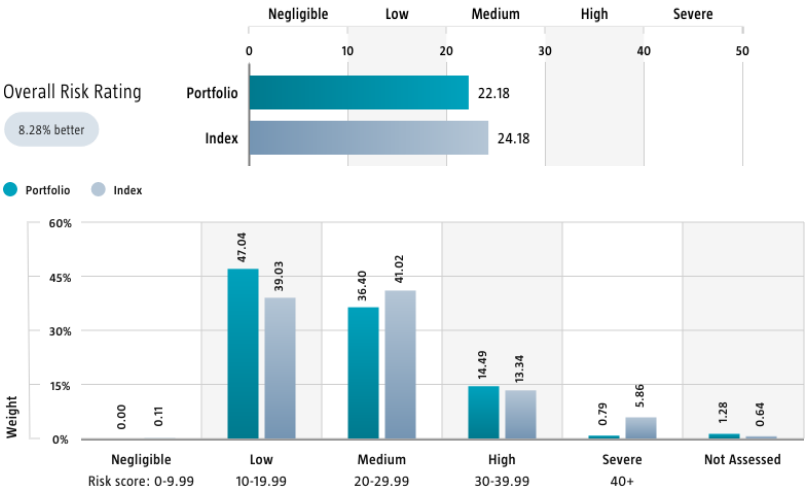
The sustainability information in this factsheet can help investors integrate sustainability considerations in their process. This information is for informational purposes only. The reported sustainability information may not at all be used in relation to binding elements for this fund. A decision to invest should take into account all characteristics or objectives of the fund as described in the prospectus. The prospectus is available on request and free of charge on the Robeco website.

Sustainability

The fund incorporates sustainability in the investment process through exclusions, ESG integration, engagement and voting. The fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up investment analysis to assess existing and potential ESG risks and opportunities. In the stock selection the fund limits exposure to elevated sustainability risks. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.
The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures.
The index used for all sustainability visuals is based on MSCI Emerging Markets Index (Net Return, EUR).

Sustainalytics ESG Risk Rating

The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio allocations broken into Sustainalytics' five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. Index scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index.
Only holdings mapped as corporates are included in the figures.



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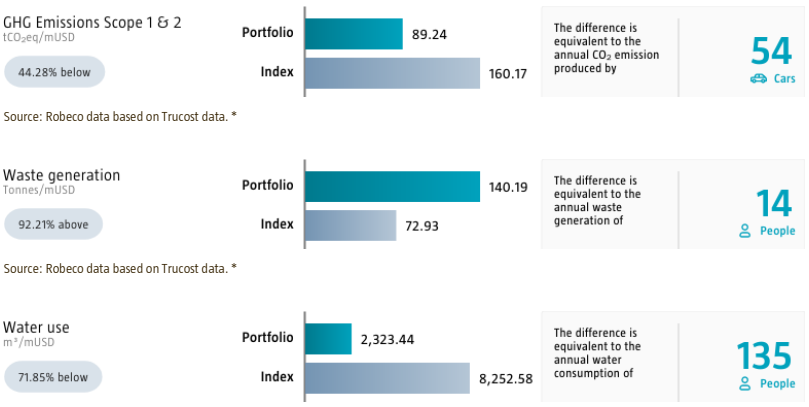
Environmental Footprint

Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted average, multiplying each assessed portfolio constituent's footprint by its respective position weight. For comparison, index footprints are shown besides that of the portfolio. The equivalent factors that are used for comparison between the portfolio and index represent European averages and are based on third-party sources combined with own estimates. As such, the figures presented are intended for illustrative purposes and are purely an indication. Only holdings mapped as corporates are included in the figures.



Source: Robeco data based on Trucost data. *

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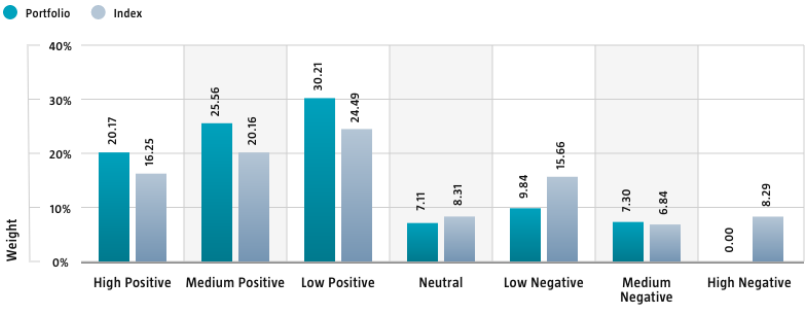
SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco's SDG Framework. The framework utilizes a three-step approach to assess a company's impact alignment with the relevant SDGs and assign a total SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. For comparison, index figures are provided alongside that of the portfolio. Only holdings mapped as corporates are included in the figures.



Source: Robeco. Data derived from internal processes.

Engagement

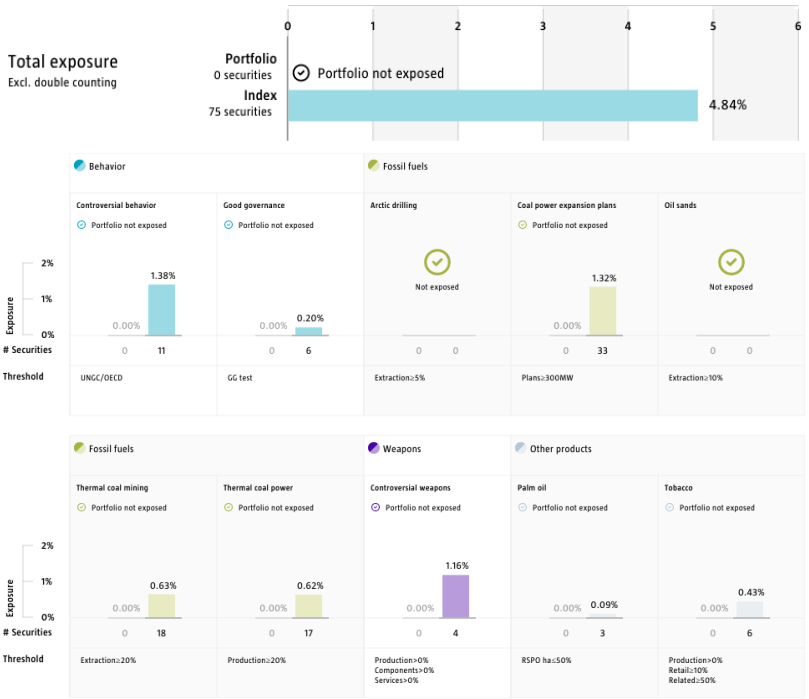
Robeco distinguishes between three types of engagement. Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution. Enhanced engagement is triggered by misconduct and focuses on companies severely breaching internationals standards. The report is based on all companies in the portfolio for which engagement activities have taken place during the past 12 months. Note that companies may be under engagement in multiple categories simultaneously. While the total portfolio exposure excludes double counting, it may not equal the sum of individual category exposures.

	Portfolio exposure	# companies engaged with	# activities with companies engaged with
Total (* excluding double counting)	40.55%	21	89
Environmental	12.54%	5	13
Social	13.34%	5	21
Governance	13.63%	8	38
Sustainable Development Goals	8.15%	3	9
Voting Related	1.25%	2	4
Enhanced	0.29%	1	4

Source: Robeco. Data derived from internal processes.

Exclusions

The Exclusions charts display the degree of adherence to exclusion applied by Robeco. For reference, index exposures are shown beside that of the portfolio. Thresholds are based on revenues unless otherwise indicated. For more information about the exclusion policy and which level applies, please refer to the Exclusion Policy and Exclusion List available on Robeco.com.



Source: We use several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available Exclusion Policy

Investment policy

Robeco Emerging Markets Equities is an actively managed fund that invests in stocks in emerging countries across the world. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. Given that emerging economies are growing faster than developed countries and have stronger balance sheets for governments, companies and households. The fund selects investments based on top-down country analysis and bottom-up stock ideas. The focus is on companies with a sound business model, solid growth prospects and reasonable valuation.
The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to, normative, activity-based and region-based exclusions, proxy voting and engagement.
The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The fund can deviate substantially from the weightings of the Benchmark. The fund aims to outperform the Benchmark over the long run, whilst still controlling relative risk through the applications of limits (on countries and sectors) to the extent of deviation from the Benchmark. This will consequently limit the deviation of the performance relative to the Benchmark. The Benchmark is a broad market weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV

Wim-Hein Pals is Head of the Robeco Emerging Markets Equity team and Lead Portfolio Manager of the Global Emerging Markets Core strategy. Previously, he was Portfolio Manager Emerging European and African equities and Portfolio Manager Emerging Asian equities. Wim-Hein started his career in the investment industry at Robeco in 1990. He holds a Master's in Industrial Engineering and Management Sciences from Eindhoven University of Technology and a Master's in Business Economics from Tilburg University. Dimitri Chatzoudis is Portfolio Manager Institutional Emerging Markets Accounts. As a Research Analyst he covers the team's investments in Mexico. Before joining Robeco in 2008, he was Portfolio Manager Eastern European and Global Emerging Markets at ABN AMRO. He started his career in the industry in 1993. Dimitri holds a Master's in Industrial Engineering from Eindhoven University of Technology and is a Certified European Financial Analyst. Dimitri is also fluent in Greek. Jaap van der Hart is the Lead Portfolio Manager of Robeco's High Conviction Emerging Stars strategy. Over time, he has been responsible for the investments in South America, Eastern Europe, South Africa, Mexico, China and Taiwan. He also coordinates the country allocation process. He started his career in the investment industry in 1994 at Robeco's Quantitative Research department and moved to the Emerging Markets Equity team in 2000. Jaap holds a Master's in Econometrics from Erasmus University Rotterdam. He has published several academic articles on stock selection in emerging markets. Cornelis Vlooswijk is Lead Portfolio Manager and Research Analyst African Equities. Previously, he worked for Robeco as an investment strategist focusing on North America and Emerging Markets since 2005. Before joining Robeco in 2005, he worked for Credit Suisse First Boston as an Investment Banking Analyst, focusing on the transport and logistics sector. He started his career in the financial industry in 1998. Cornelis holds a Master's in Economics from Erasmus University Rotterdam and is a CFA® charterholder.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Fiscal treatment of investor

The fiscal consequences of investing in this fund depend on the investor's personal situation. For private investors in the Netherlands real interest and dividend income or capital gains received on their investments are not relevant for tax purposes. Each year investors pay income tax on the value of their net assets as at 1 January if and inasmuch as such net assets exceed the investor's tax-free allowance. Any amount invested in the fund forms part of the investor's net assets. Private investors who are resident outside the Netherlands will not be taxed in the Netherlands on their investments in the fund. However, such investors may be taxed in their country of residence on any income from an investment in this fund based on the applicable national fiscal laws. Other fiscal rules apply to legal entities or professional investors. We advise investors to consult their financial or tax adviser about the tax consequences of an investment in this fund in their specific circumstances before deciding to invest in the fund.

Sustainability images

The figures shown in the sustainability visuals are calculated on subfund level.

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Morningstar

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